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PART I

Punjab Government Notifications and Orders

GOVERNMENT OF PUNJAB

DEPARTMENT OF POWER

(Energy Branch)

NOTIFICATION

The 21st September, 2020

No. 10/32/020-EV4/2032.- In exercise of the powers conferred by section 12 of the Punjab Electricity (Duty) Act, 2005 (Punjab Act No.9 of 2005), and all other powers enabling him in this behalf, the Governor of Punjab is pleased to grant fifty percent exemption to **M/s Vardhman Special Steels Limited, C-58, Focal Point, Ludhiana** from the payment of electricity duty (except Social Security Fund) for a period of **eight years** in public interest and subject, however, shall be to the following conditions, namely:-

CONDITIONS

- (i) the exemption shall be granted to the said Firm for manufacturing project on 19.74 Acres of land at C-58, Phase-III, Focal Point, Ludhiana for an amount of thirty-seven and half percent(37.5%) of Fixed Capital Investment as per the conditions contained in the revised eligibility certificate issued by the Convener-cum-Additional Director(Incentive), State Level Committee, vide endorsement. no. INC/FI/FIIP/29/Vardhman/Ldh./2746-A, dated the 20th March, 2020;
- (ii) the aforesaid FCI for incentives shall be rupees 137,77,00,000/- (Rupees One Hundred Thirty-Seven Crores and Seventy-Seven Lakh only) as approved by State Level Committee in its meetings held on the 27th January, 2020 and as proposed by the District Scrutiny Committee, Ludhiana. However, the amount of Rs.31,00,000,00/- (Rupees Thirty-One Crores) for which Punjab Bureau of Investment Promotion has granted interim electricity duty exemption vide notification No. 6037, dated the 21st March, 2018 shall be adjusted within the maximum eligible amount of electricity duty exemption of Rs.51,66,37,500/- (Rupees Fifty-One Crores Sixty-Six Lakhs Thirty-Seven Thousand and Five Hundred only);
- (iii) the eligibility period for availing the fifty percent (50%) quantum of electricity duty exemption shall be eight years from the date of approval i.e. 6th January, 2016 to 5th January, 2024 as per Letter of Eligibility dated 26th August, 2016 issued by the PBIP and in accordance with the clause-1.2.1.7 and Chapter-3 of FIIP (R) 2013) or till the date of exhaustion or utilization of quantum of

- eligible incentives i.e. Rs. 51,66,37,500/- (Rupees Fifty-One Crores Sixty-Six Lakhs Thirty-Seven Thousand and Five Hundred only (37.5% of FCI) whichever is earlier. However, the aforesaid amount of Rs.31,00,000,00/- (Rupees Thirty-One Crores) as mentioned in para (ii) shall be adjusted within this amount. The date of the commercial operation of the Unit is 1st January, 2014. However, the exemption shall commence from the date of approval i.e. 6th January, 2016;
- (iv) no incentive shall be provided for the period between the date of commercial production i.e. 6th January, 2016 and the date of approval i.e. 1st January, 2014;
 - (v) in the event of any revision of electricity duty rate at any subsequent point of time, the exemption to the extent of Such levied rate of electricity duty (except contributions out of electricity e.g. Social Security Fund etc.) shall be applicable to the Unit;
 - (vi) the usage of power by the Firm during the aforesaid period shall be regulated through a transparent metering arrangement installed or approved by the Punjab State Power Corporation Limited or the Chief Electrical Inspector, to record the consumption of the Unit under exemption. In case the transparent metering arrangement is not feasible, in that case calculation of the consumption for the purpose of electricity duty exemption shall be done on prorata basis;
 - (vii) the exemption shall not be applicable for the residential area of the said premises and to that effect, an undertaking shall be submitted by the Unit that no residential area exists in the premises. If there is a residential area in the premises, in that event a separate meter has to be installed or a separate electricity connection shall be obtained in order to record the consumption of that residential area, which shall be excluded from the total electricity consumption of the Unit;
 - (viii) it shall be ensured that the firm does not connect the load of any other Unit with this Unit for the purpose of availing exemption from electricity duty;
 - (ix) the exemption shall be strictly in accordance with the Eligibility Certificate issued by the Convener-cum-Additional Director (Incentive), State Level Committee, vide endorsement no. Inc/FI/FIIP/29/Vardhman/Ldh/ 2746-A dated 20th March 2020;
 - (x) electricity duty shall not be given on captive generation of Power exported to Entities other than PSPCL.

The compliance of the above conditions and proper utilization of the incentive, the Senior Auditors of the office of the Chief Electrical Inspector may inspect the units at any time. In case, any violation of any of the provisions of the said Act or the rules made thereunder and above conditions, is detected, the owner of the Unit shall be liable for action under section 8 of the said Act or the rules made thereunder and exemption shall automatically be ceased for which the supplier and owner of the Unit shall be responsible.

Sd/-

ANURAG AGARWAL

Additional Chief Secretary to Government of Punjab,
Department of Power.